

## Tobacco Tax Funds

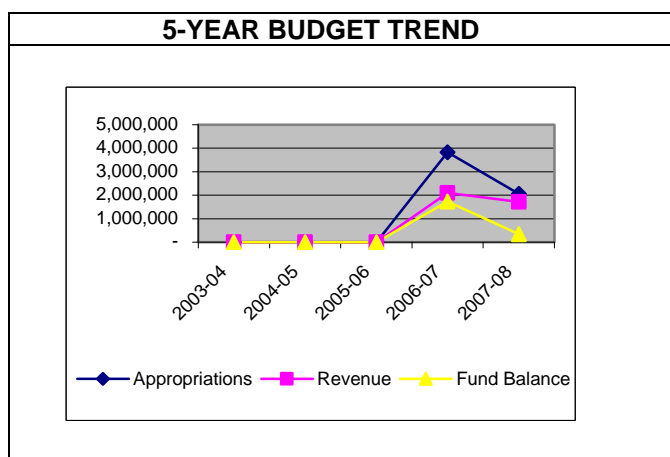
### DESCRIPTION OF MAJOR SERVICES

In November 1988, California Voters approved the California Tobacco Health Protection Act of 1988, also known as Proposition 99. This referendum increased the state cigarette tax by 25 cents per pack and added an equivalent amount on other tobacco products. The new revenues were earmarked for programs to reduce smoking, to provide health care services to indigents, to support tobacco-related research, and to fund resource programs for the environment.

Arrowhead Regional Medical Center (ARMC) established the county tobacco tax funds in Fiscal Year 1989-90 to facilitate the transfer of Tobacco Tax monies to the county hospital, non-county hospitals, and physicians, when notified and as required by the State.

There is no staffing associated with this budget unit.

### BUDGET HISTORY



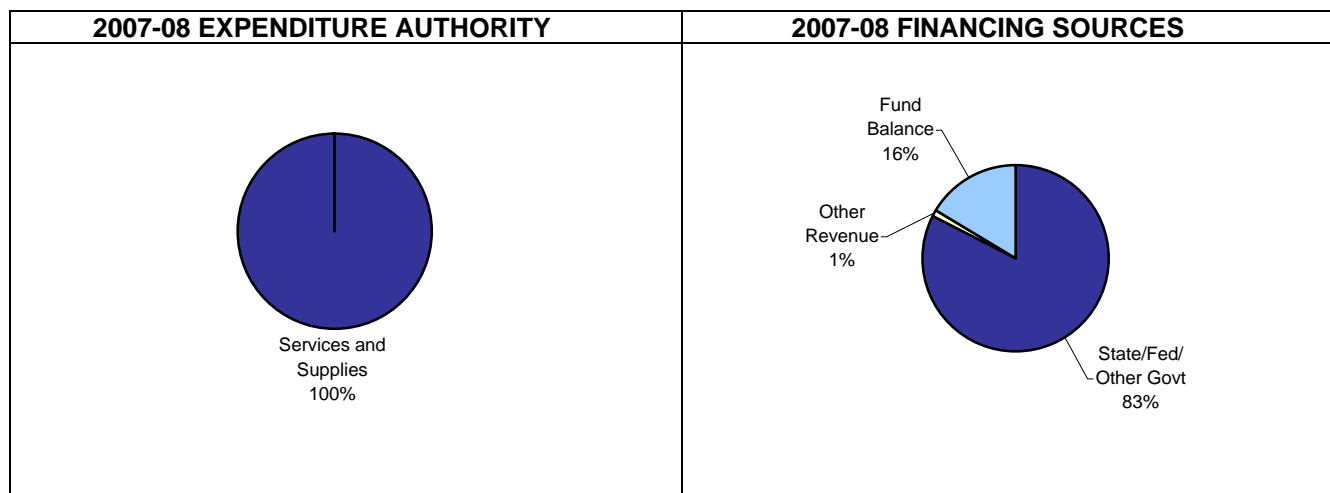
### PERFORMANCE HISTORY

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Modified Budget	2006-07 Estimate
Appropriation	2,412,872	1,531,718	1,409,364	-	2,850,068
Departmental Revenue	1,742,696	1,483,549	2,978,137	-	1,453,855
Fund Balance				-	

In accordance with Section 29009 of the State Government Code, the entire unreserved fund balance must be appropriated each year. The amount not expended is carried over to the subsequent year's budget. Appropriation in this budget unit consist of service and supplies expense which is for physician and hospital expenses for the care of indigents. Expenditures were less than budgeted due to the State requiring a decreased amount of transfers to physicians and hospitals than expected. Revenues were less than budgeted due to an unanticipated lower level of funding from the State.



## ANALYSIS OF PROPOSED BUDGET



GROUP: Administrative/Executive  
DEPARTMENT: Arrowhead Regional Medical Center  
FUND: Tobacco Tax Funds

BUDGET UNIT: RGA through RGR, RHB  
FUNCTION: Health and Sanitation  
ACTIVITY: Hospital Care

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Estimate	2006-07 Final Budget	2007-08 Proposed Budget	Change From 2006-07 Final Budget
<b>Appropriation</b>							
Services and Supplies	2,412,872	1,531,718	1,407,500	2,850,068	3,344,714	2,052,057	(1,292,657)
Transfers	-	-	1,864	-	-	-	-
Contingencies	-	-	-	-	482,652	-	(482,652)
Total Appropriation	2,412,872	1,531,718	1,409,364	2,850,068	3,827,366	2,052,057	(1,775,309)
<b>Departmental Revenue</b>							
Use Of Money and Prop	14,584	4,796	20,673	63,523	45,000	24,600	(20,400)
State, Fed or Gov't Aid	1,727,418	1,478,753	2,955,601	1,379,390	2,051,924	1,693,228	(358,696)
Other Revenue	694	-	-	9,488	-	-	-
Other Financing Sources	-	-	1,863	1,454	-	-	-
Total Revenue	1,742,696	1,483,549	2,978,137	1,453,855	2,096,924	1,717,828	(379,096)
Fund Balance					1,730,442	334,229	(1,396,213)

Services and supplies of \$2,052,057 represent anticipated allocation amounts determined by the state and allocated to contracted hospitals and physicians. In 2006-07, services and supplies were higher than normal due to a large fund balance carryover from 2005-06 which was the result of funds not being dispersed. The funds were dispersed in 2006-07 in addition to the normally scheduled disbursements which caused an increase in appropriations for services and supplies. The decrease of \$1,292,657 for 2007-08 represents the annual disbursements leveling off to anticipated annual amounts.

Contingencies were not budgeted and decreased by \$482,652 based on fund balance.

Departmental revenue in the amount of \$1,717,828 includes \$1,693,228 from the State and \$24,600 in interest. The decrease of \$379,096 primarily represents an anticipated reduction in program funding from the State.

